

## **FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
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### **Legislation Title:**

AN ORDINANCE relating to the implementation and operation of a new regional 800 MHz emergency public safety radio communication system; authorizing the Chief Technology Officer of the Department of Information Technology to execute for and on behalf of the City of Seattle an interlocal agreement between the City of Seattle, King County and the Cities of Auburn, Bellevue, Federal Way, Issaquah, Kent, Kirkland, Mercer Island, Redmond, Renton and Tukwila for the purpose of planning, financing, procuring and implementing a new 800 MHz emergency radio communication system to be funded through a separate King County property tax ballot measure; and ratifying and confirming prior acts.

### **Summary of the Legislation:**

This legislation authorizes the Chief Technology Officer to enter into an interlocal agreement with King County and ten other cities within King County to plan, finance, acquire and implement a new countywide emergency radio system. King County will act as the lead agency for the project. Implementation is expected to be complete in 2020. The interlocal agreement will give Seattle one of four votes on the governance board that approves the project budget, contracts, system design, service levels and user fees.

County project staff intend to ask the King County Council to put a countywide measure for a levy lid lift on the April 2015 ballot. Levy proceeds will fund all project costs, including reimbursing Seattle for any project-related costs.

Future legislation will be submitted to address long-term governance, operations, maintenance and management of the completed radio system.

### **Background:**

The existing regional 800 MHz emergency radio system is used by first responders (police, fire, emergency medical and emergency management) and other government personnel for emergency and routine communications. It supports approximately 16,000 mobile and portable radios and 12 public safety dispatch centers. The system is connected to similar systems in Pierce and Snohomish Counties, allowing first responders to support each other throughout the central Puget Sound region.

The four entities that jointly own the system are: City of Seattle, King County, Eastside Public Safety Communications Agency (EPSCA) and Valley Communications Center. Each entity owns and operates the portion of the system within its designated geographic area and has a 25% interest in central equipment that ties the radio system together. An Interlocal Agreement defines governance and operation of the current system.

The system is nearly 20 years old and the manufacturer will cease all support for critical components at the end of 2018. In addition, the system has insufficient radio coverage and capacity in parts of the county due to population growth since the system was installed. The co-owners have been working collaboratively since August 2012 to plan a replacement radio system called the Puget Sound Emergency Radio Network System (or PSERN System). Work to date has focused upon:

- Running an RFP process to select a vendor for the PSERN System;
- Developing an Interlocal Agreement to formalize governance for the 5-year, \$250M project to implement the PSERN System, with King County as the lead agency;
- Developing terms and conditions for governance and operation of the PSERN radio system after completion of the project.

The project intends to ask the King County Council to put a countywide measure for a levy lid lift on the April 2015 ballot to fund the project. Legislation will be formally transmitted to the County Council during January 2015. The King County Executive will transmit the project implementation Interlocal Agreement to the County Council as part of this legislative package.

       This legislation does not have any financial implications.

  **X**   This legislation has financial implications.

**Appropriations:**

Fund Name and Number	Department	Budget Control Level*	2014 Appropriation	2015 Anticipated Appropriation
<b>TOTAL</b>				

*\*See budget book to obtain the appropriate Budget Control Level for your department.*

Appropriations Notes:

Appropriations for the staff time/labor costs associated with this project have been included in the Department of Information Technology's (DoIT) 2015-16 Budget and will be covered by the levy funds. Costs for out years of the project will be addressed in future budgets.

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

Fund Name and Number	Department	Revenue Source	2014 Revenue	2015 Revenue
<b>TOTAL</b>				

Revenue/Reimbursement Notes:

Under Sections 8.3.1 and 8.5.2 of the Interlocal Agreement, Seattle will be reimbursed from the

County's project budget for costs expended on PSERN System-related activities contemplated or required under the Interlocal Agreement. Reimbursement of labor hours will be at the applicable hourly rate that is used in the normal course when the employee's time is charged for other purposes.

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact: N/A**

Position Title and Department	Position # for Existing Positions	Fund Name & #	PT/FT	2014 Positions	2014 FTE	2015 Positions*	2015 FTE*
<b>TOTAL</b>							

*\* 2015 positions and FTE are total 2015 position changes resulting from this legislation, not incremental changes. Therefore, under 2015, please be sure to include any continuing positions from 2014.*

**Do positions sunset in the future?**

**Spending/Cash Flow:**

Fund Name & #	Department	Budget Control Level*	2014 Expenditures	2015 Anticipated Expenditures
<b>TOTAL</b>				

*\* See budget book to obtain the appropriate Budget Control Level for your department.*

Spending/Cash Flow Notes:

**Other Implications:**

**a) Does the legislation have indirect financial implications, or long-term implications?**

The co-owners of the existing system are planning on forming a non-profit corporation that will be responsible for ownership, operations, maintenance, and ongoing upgrade and replacement of the PSERN System after completion of the project and for the remainder of its anticipated useful life. There will be separate legislation with an Interlocal Agreement to move operational responsibility for the emergency radio system from the City to a non-profit corporation. This change will have long term financial implications and a more detailed fiscal note will be prepared at that time.

**b) What is the financial cost of not implementing the legislation?**

If Seattle does not implement the legislation, the regional project to implement a new regional radio system will be delayed or cancelled. The existing 800 MHz radio system is fast approaching the end of its useful and supported life, and the risk of system failure is increasing rapidly. If the regional project is delayed, it will extend the duration of elevated risk, potentially impacting the safety of first responders, residents, and visitors to the city.

If the regional project is cancelled, Seattle and the other co-owners will need to act independently to fund and implement their respective portions of the current radio system. These independent actions will be somewhat duplicative, and the independent efforts could jeopardize existing regional communications capabilities that allow first responders to offer mutual aid and work throughout the central Puget Sound region.

**c) Does this legislation affect any departments besides the originating department?**

Yes. The 800 MHz radio system is the primary, mission-critical communications tool for Seattle Fire Department and Seattle Police Department. It is also used by City Light, Seattle Department of Human Resources, Department of Information Technology, Department of Planning and Development, Executive Department, Department of Finance and Administrative Services, Human Services Department, Legislative Department, Municipal Courts, Department of Parks and Recreation, Seattle Department of Transportation, Seattle Center and Seattle Public Utilities for emergency and routine communications.

**d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

Seattle could act independently to replace its portion of the existing 800 MHz radio system. However, this could jeopardize the integrity of the regional communication system and significantly downgrade communications capability for regional first responders and other radio system users.

First responders in King County do not have a reasonable, technical alternative to using 800 MHz radios for emergency communications. The existing, end-of-life radio system must be replaced. Seattle's only alternatives are to collaborate and participate in the regional project or to go it alone. If Seattle goes it alone, it will need to independently fund, design, implement, operate, maintain and upgrade its portion of the 800 MHz radio system. There is a risk that Seattle first responders could lose some functionality and ability to communicate with other first responders in King County and the central Puget Sound region if Seattle's system were not fully-compatible and integrated with other radio systems in the region.

**Is a public hearing required for this legislation?**

No.

**Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No.

**Does this legislation affect a piece of property?**

No.

**e) Other Issues:**

**List attachments to the fiscal note below:**